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IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

APPLE INC., et al.

Plaintiffs,

v.

ANDREW HIRSHFELD,

Performing the Functions and Duties of the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office,

Defendant.

) Case No.: 5:20-cv-06128-EJD

Defendant's Notice of New Authority in Support of His Motion to Dismiss

Hon. Edward J. Davila

Date: Under Submission

1 Defendant Andrew Hirshfeld, in his official capacity performing the functions and duties 2 of the Under Secretary of Commerce for Intellectual Property and Director of the United States 3 Patent and Trademark Office ("USPTO"), submits this notice of new authority in support of his 4 motion to dismiss, ECF No. 64. 5 In Mylan Laboratories Ltd. v. Janssen Pharmaeutica, N. V., 21-1071 (Fed. Cir. Mar. 12, 6 2021), the Federal Circuit denied an appeal and mandamus petition concerning the denial of *inter* 7 partes review ("IPR") based on the application of the Fintiv factors. Exhibit A (Mylan 8 Decision). Mylan sought mandamus relief based on (1) the USPTO "adopting the Fintiv standard 9 through a precedential Board decision, rather than notice-and-comment rulemaking," (2) "the Fintiv 10 standard [allegedly] unlawfully shorten[ing] the limitations period for filing an IPR," and (3) the 11 alleged deprivation of due process from the denial of IPR institution based on parallel litigation. Id. 12 at 10-11. The court rejected Mylan's claims for relief, stating: 13 As the Supreme Court has explained, "the [Patent Office]'s decision to deny a petition 14 is a matter committed to the Patent Office's discretion. See [5 U.S.C.] § 701(a)(2); 35 15 U.S.C. § 314(a) (no mandate to institute review)." Cuozzo, 136 S. Ct. at 2140. The 16 Director is permitted, but never compelled, to institute an IPR. And no petitioner has a 17 right to such institution. For example, the Director is free, as in this case, to determine 18 that for reasons of administrative efficiency an IPR will not be instituted, as agencies 19 generally are free, for similar reasons, to choose not to initiate enforcement 20 proceedings. Heckler v. Chaney, 470 U.S. 821, 830-32 (1985). And the Supreme Court 21 has determined that such a decision is committed to agency discretion by law. Cuozzo, 22 136 S. Ct. at 2140. Given this determination and the statute's bestowal of discretion on 23 the Director combined with its prohibition on appeal of such decisions, we conclude 24 that there is no reviewability of the Director's exercise of his discretion to deny 25 institution except for colorable constitutional claims. 26 Id. at 11-12. Defendant believes this new authority will assist the Court in its consideration of 27 the pending motion to dismiss. DATED: March 12, 2021 Respectfully submitted, MICHAEL D. GRANSTON Deputy Assistant Attorney General LESLEY FARBY Assistant Branch Director

/s/ Gary Feldon GARY D. FELDON D.C. Bar #987142 Trial Attorney, Federal Programs Branch Civil Division, U.S. Department of Justice 1100 L Street, NW Washington, D.C. 20044 Telephone: (202) 598-0904 E-mail: gary.d.feldon@usdoj.gov

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CERTIFICATE OF SERVICE

I hereby certify that on March 12, 2021, I electronically filed the foregoing document with the Clerk of the Court, using the CM/ECF system, which will send notification of such

filing to the counsel of record in this matter who are registered on the CM/ECF system.

Executed on March 12, 2021, in Washington, D.C.

<u>/s/ Gary Feldon</u> GARY D. FELDON